

By Nancy Remsen, Burlington Free Press

When Donna Watts' son dropped out of college at age 19 and began working a series of temporary jobs, he lost health insurance coverage under his parents' plan.

Now Kerry Monahan, 21, faces the financial consequences of being without health insurance. He received serious facial injuries in a car crash in June that killed the driver. His medical bills total more than \$20,000.

"My husband and I would have gladly paid increased premiums to make sure our son had coverage," Watts said. Insurance companies don't allow parents to extend their coverage to grown children.

Under legislation Rep. Peter Welch, D-Vt., expects will be added to the big health reform package pending in Congress, insurance companies would have to allow parents the choice to continue to cover their children under their health insurance policies until age 27.

This, on a practical level, would provide an immediate benefit to many families, Welch said. It would not only give parents peace of mind, he said, but ensure that many more young adults were protected from financial ruin if they suffered an illness or accident.

Such a program should also help hold down increases in insurance premiums, which are affected by shifts of expenses from those who can't pay their hospital debts, Welch said.

According to a 2008 state insurance survey, 22 percent of Vermonters age 18-24 lack health insurance.

Blue Cross and Blue Shield of Vermont allows parents to cover their children up to age 25 as

long as they are full-time students and live at home when not at college, said Leigh Tofferi, government relations director. Blue Cross defines a full-time student as carrying at least 12 credits per semester.

"You can't have your own life away from your parents and still be covered," Tofferi said. Married students, for example, can't be covered under parents' policies, he said.

Tofferi said insurance companies have long argued they would lose money by allowing parents to cover adult children rather than forcing young adults to seek coverage at work or purchase their own policies. That's even though young adults are generally healthy, so file fewer and less costly claims.

Blue Cross and Blue Shield is in the midst of its own analysis of the potential cost of extending coverage, Tofferi said. The study won't be completed for several weeks.

In recent years, the Legislature has considered mandating insurance companies to cover young adults up to age 23 or 24 but backed away because of the projected increase in the expense of health insurance for state employees.

Peter Sterling, director of the Vermont Campaign for Health Security, said Vermont offers young adults some of the most affordable options under its Vermont Health Access Program and Catamount Health. "We are giving young people access, but they still aren't enrolling.

Cassandra Gekas, a graduate student in economics and community development at the University of Vermont, spent several years without health insurance after college. She didn't think she could afford premiums, she said, because of her \$350-a-month student loan payment plus other living expenses. "My health care plan revolved around not getting sick."

Then she needed \$6,000 in dental care, she said, and had to take out a loan to cover the expense. Interest on the loan jumped to 29 percent when she couldn't repay the \$6,000 in one year. It has taken her five years to get out of debt.

Gekas said many of her friends don't even try to pay back medical expenses if they mount up. "They don't realize the ramifications on their credit."